

## **MINUTES**

### **COMMISSION ON LOCAL GOVERNMENT**

#### **Regular Meeting**

**10:00 a.m., March 13, 2006**

#### **Members Present**

Harold H. Bannister, Jr., Chairman  
Kathleen K. Seefeldt, Vice Chairman  
John G. Kines, Jr.  
Vola T. Lawson  
Frances M. Parsons

#### **Members Absent**

#### **Others Present**

Ted McCormack, Associate Director  
Steve Ziony, Senior Economist  
Adria Graham Scott, Senior Policy Analyst  
Barbara Johnson, Administrative Assistant

#### **Call to Order**

The Vice Chairman called the meeting to order at 10:00 a.m., March 13, 2006 in the Board Room of the Department of Housing and Community Development in Richmond.

#### **I. Administration**

##### **A. Approval of Minutes of Regular Meeting of January 5, 2006**

The minutes of the Commission's regular meeting of January 5, 2006 were approved without amendment.

**[Mr. Bannister assumed the Chair at this point in the meeting.]**

##### **B. Public Comment Period**

The Chairman opened the floor to receive comments from the public. No person appeared to testify before the Commission during the public comment period.

**C. Presentation of Financial Statement for February 2006**

The Associate Director advised that the members had been mailed previously a copy of an internally produced financial statement for the Commission's operations through the end of February 2006. Mr. McCormack noted that the statement contained data for eight months, or approximately 67% of the fiscal year and that the document showed agency expenditures of approximately \$207,000 or 61.1% of appropriations. He stated that he saw no extraordinary expenditure in the future that would result in overspending of the Commission's budget. The Commission accepted the financial report for filing.

**D. Associate Director's Report**

**1. Resolution of Appreciation for Geline Williams**

The Associate Director stated that in accordance with the member's direction he had prepared a resolution of appreciation for Mrs. Geline Williams for her service on the Commission on Local Government. At the request of the Chairman, he circulated the resolution and each Commissioner indicated the adoption of the resolution by affixing their signature to the document. Mr. McCormack indicated that once the resolution was framed, the Commission could present it to Mrs. Williams at a forthcoming meeting.

**2. Revision of Commission Regulations**

The Associate Director reported that the Department of Planning and Budget had approved the final version of the Commission's Public Participation Guidelines and Regulations. Mr. McCormack stated that

subsequently the Secretary of Commerce and Trade had approved the final Public Participation Guidelines, but the Regulations were awaiting action by that office. He noted that the Governor's office was the next step in the approval process, and he indicated that once both documents had been reviewed, the final Public Participation Guidelines and Regulations will be published in the Virginia Register for public comment.

**3. Town of Onley – County of Accomack Annexation Issue**

The Associate Director advised that the Towns of Onley and Onancock and Accomack County had held at least two meetings to discuss the possible settlement of the annexation action filed by Onley. Mr. McCormack stated that according to one of the participants, the meetings, which were attended by elected and appointed officials and the local attorneys and special counsel, were productive. He noted that the parties were optimistic that some agreement may be reached to settle the annexation issue in an amicable manner.

**4. Annual Report on Municipal Boundary Changes**

Mr. McCormack distributed to the members a copy of the annual report on municipal boundary changes that is assembled by the staff from a variety of sources. He noted that approximately 15 State and federal agencies, institutions of higher education and private firms utilize the information contained in the report for a variety of purposes, including financial aid programs and map revision. The Associated Director then reviewed the data contained in the report and observed that there were

three relatively large boundary line adjustments involving the transfer of one square mile or more of territory from county jurisdiction to municipal control. In closing Mr. McCormack stated that since the annual report was first produced in 1980, the Commission has an extensive database on the history of boundary change actions in the Commonwealth.

**5. Meeting Per Diem**

The Associate Director stated that, in accordance with the Commission's Policy on compensation and reimbursement, per diem would be paid to Mrs. Lawson and Mrs. Parsons for their travel on March 12, 2006, and all members present for their service to the Commonwealth on March 13, 2006.

**7. Staff Presentations**

The Associate Director advised that he gave a presentation on intergovernmental relations to the County Board Chairmen's Institute of the Virginia Association of Counties in Richmond on February 10, 2006.

**8. Associate Director's Absence From the Office**

Mr. McCormack stated that he would be absent from the office from April 20-26, 2006 on personal business and to attend the annual conference of the American Planning Association in San Antonio, Texas. He indicated that in his absence, the Commission's staff would be available to assist the members or the public.

**II. Fiscal Stress Report for 2003/2004**

**A. Preliminary Staff Comment**

Mr. Ziony stated that he had previously mailed to the members a draft of the Fiscal Stress report for 2003/2004, but he indicated that that document did not contain the technical appendix that described the methodology. Because that component was missing, he proceeded to review briefly the methodology used to calculate revenue capacity, revenue effort and fiscal stress. He then discussed some of the salient findings from his research with respect to the change over time of the data. Mr. Ziony observed that the growth in revenue capacity per capita between 1999/00 and 2003/04 for Virginia counties and cities was faster than growth in the prices for goods and services purchased by localities nationwide. In terms of change in revenue effort between 1999/00 and 2003/04, he reported that only four counties and four cities reported increases in revenue effort in every fiscal year throughout that period. In closing, he indicated that of the 21 localities registering “high stress” for 2003/04, 19 were cities. At the conclusion of Mr. Ziony’s presentation, the Associate Director requested that the staff be permitted the opportunity to review further the text of the report, but he advised that the statistical tables included in the draft were not subject to change. He stated, however, that if any substantive changes were made to the text of the fiscal stress report, those revisions would be distributed to the Commission for members’ review prior to the document’s publication.

**B.     Commission Deliberation and Action**

The Commission discussed the report and its findings. In response to several questions concerning the methodology, Mr. Ziony indicated that the process for calculating fiscal stress and its components was developed by the Joint Legislative Audit and Review Commission (JLARC) in the mid-1980s, and subsequently transferred to the Commission for annual calculation. He stated that while the methodology had been refined over the years to meet changing circumstances and data availability, and for quality control, JLARC and the several State agencies that used fiscal stress or its components in grant or loan programs would be concerned with any dramatic changes in the methodology. He noted, however, that he continues to examine alternative to improve the methodology. Mr. Bannister requested that a one-page executive summary be prepared and placed at the front of the report. He and several other Commission members also requested that he consider including additional graphs or charts in the report. The Commission expressed its appreciation to Mr. Ziony for the quality of his work and his presentation. In addition, the members authorized the staff to release the report to the public once stylistic revisions to the text have been made.

**III.   Report on Legislation of Interest**

The Associate Director noted that for the second year in a row, there were no bills introduced during the 2006 General Assembly Session that directly affected the Commission's operations or its principal responsibilities. He indicated, however, that the staff had followed House Bill 861 and House Bill 1497 that would have required

approval by referendum of a reversion of the City of Martinsville to town status, but both bills were carried over to the 2007 Session. Mr. McCormack reported that House Bill 1476 was also tracked because the proposed legislation would have added a mechanism for localities to become exempt from certain State mandates, but that bill was withdrawn from consideration by the patron. He also stated that there were several bills passed that concerned the acceptance of cash proffers by localities, but that none of the legislation affected the Commission's annual survey. With respect to other legislative activities of the staff, the Associate Director observed that ten bills were referred by the Division of Legislative Service for fiscal impact analysis. He stated that with the assistance of 20 counties and 13 cities, as well as the Policy staff of the Department of Housing and Community Development, fiscal impact statements on seven of those bills were prepared and filed before they were initially reviewed by a legislative committee in the chamber of introduction. At Mr. Bannister's request, Mr. McCormack indicated that staff would prepare for the members an analysis of the performance of the 33 localities assisting in the review of proposed bills. In closing, he revealed that staff had tracked 62 pieces of legislation for the Governor's Policy Office, which was about the average for the past several legislative sessions. The Associate Director also stated that he would send to the members several reports summarizing the actions of the 2006 Session as they become available.

**IV. Scheduling of Next Regular Meeting**

The next regular meeting was scheduled for May 8, 2006 at 10:00 a.m. at the Commission's offices in Richmond, Virginia.

**Minutes**  
**Regular Meeting**  
**10:00 a.m., March 13, 2006**  
**Page 8**

**V.     Adjournment**

The meeting was adjourned at 12:05 p.m.

---

Harold H. Bannister, Jr.  
Chairman

---

Ted McCormack  
Associate Director



**COMMISSION ON LOCAL GOVERNMENT**  
**COMMONWEALTH OF VIRGINIA**

At a regular meeting of the Commission on Local Government held in Richmond, Virginia on Monday, March 13, 2006, at the hour of 10:00 a.m., the following resolution was adopted:

**WHEREAS**, **Geline B. Williams** served the Commission on Local Government with distinction from January 1996 through December 2005; and

**WHEREAS**, Her commitment to public service and experience in local government affairs in this Commonwealth made her a credit to this Commission; and

**WHEREAS**, Her intelligence, integrity, and equanimity earned her the profound respect and admiration of the members of this Commission and all others associated with its activities; and

**WHEREAS**, Her effective advocacy of her perspective, coupled with her respectful consideration of the views of others, made her an invaluable participant in the Commission's deliberations; and

**WHEREAS**, Her keen wit, her affability, and her graciousness added immeasurably to the pleasure and satisfaction derived from service on this Commission;

**NOW, THEREFORE, BE IT RESOLVED**, That the Commission on Local Government does hereby convey its gratitude to **Geline B. Williams** for her many contributions to this body and acknowledges with profound regret the loss of her companionship and constant good counsel; and

**BE IT FURTHER RESOLVED**, That a copy of this resolution be spread upon the Minutes of this meeting and that a framed copy thereof be presented to **Geline B. Williams** as permanent testament of our affection, esteem, and high regard.